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Approved For Release 2002/08/23 : CIA-RDP68-00140R000200520003-0

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II.

25X1A6A The Division was requested to comment on a statement
25X1A6A made to Col. White, during his visit to [redacted]
that the Post Allowance (cost-of-living allowance) was too
low to cover the high cost of [redacted] This allowance
is established by the State Department based on annual surveys
made by the Embassy at the Post. The Post Allowance is a
balancing factor designed to permit employees to spend the
same portion of their basic compensation for current living
as they would in Washington, D.C., without incurring a
reduction in their standard of living because of higher costs
of goods and services at the post. The amount paid is a flat
rate varying only by basic salary, size of family, and post,
regardless of individual expenses.

25X1A6A A sampling of the amounts of post allowances paid to various
categories of employees assigned to [redacted] follows:

Single, GS-5	Approx.	\$13	per	pay	period
Single, GS-7	"	\$14.50	"	"	"
Married, w/o children, GS-7	"	\$18.45	"	"	"
Married, w/2 children, GS-7	"	\$27.61	"	"	"
Married, w/o/children, GS-12	"	\$26.54	"	"	"
Married, w/2 children, GS-12	"	\$35.75	"	"	"
Married, w/o/children, GS-14	"	\$28.46	"	"	"
Married, w/4 children, GS-14	"	\$46.90	"	"	"

25X1A6A It is difficult to state whether the amounts of post
allowance granted to employees stationed [redacted] sufficient
to defray the admittedly high cost of living. The State Depart-
ment utilizes a standard form, or check list, which has been
developed to supply the costs of a variety of goods and services
25X1A from which the "cost of living" can be ascertained. As in all
allowances, the actual Post Allowance is based on information
and statistics which are at least one year behind the actual
facts. In a spiraling economy, [redacted] the Post Al-
lowance does not keep up with the rising costs of living. The
only solution seems to be an awareness on the part of the State
Department of the possible discrepancies between the cost of
living and the Post Allowance if such awareness will result in
constructive efforts to keep such discrepancies as low as
possible.

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Next 1 Page(s) In Document Exempt

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